

BOARD OF ECONOMIC DEVELOPMENT  
GOED CONFERENCE ROOM, 711 E WELLS AVE, PIERRE, SD  
TUESDAY, MAY 14 2013 – 10:00 AM CT

Members Present

Chairman Jeff Erickson, Dale Clement, Tony Klein , Sharon Casey, Tom Burchill, Mike Luken, Greg Heineman, Tim Kessler, Ted Hustead, Don Kettering, Pat Prostrullo, David Lust, Tom Jones, Scott Parsley

Staff Present

Kim Easland, Ashley Moore, Cherissa Nielson, Travis Dovre, Dale Knapp

Other Staff Present

Mandy Kuipers- BankWest

Call to Order

Chairman Erickson called the meeting to order at 10:01 AM.

Agenda

A motion was made by Sharon Casey and seconded by Tony Klein to approve the agenda as amended to show consideration for Manitex Load King and the May 13, 2013 REDI Rules Hearing Transcript of Proceedings.

Motion prevailed by a roll call vote.

Minutes

A motion was made by Don Kettering and seconded by Tom Burchill to approve the minutes of April 2, 2013, April 9, 2013 and April 30, 2013 as presented.

Motion prevailed by roll call vote.

Rules Hearing Transcript of Proceedings

A motion was made by Dale Clement and seconded by Tim Kessler to approve the minutes of the May 13, 2013 public hearing on consideration of ARSD 68:02:07, 68:02:08, 68:02:09 and 68:02:10 as presented, which consist of the REDI Rules Hearing Transcript of Proceedings.

Motion prevailed by roll call vote of 10 to 0 with Don Kettering abstaining.

Executive Session

A motion was made by Tony Klein seconded by Sharon Casey to enter into executive session at 10:05 am. to discuss contract matters and commercial and financial information relating to loan and other assistance to applicants.

Motion prevailed by roll call vote.

Executive Session Report

The Chairman declared the board out of executive session at 10:54 a.m. The Chairman reported that the Board of Economic Development entered into Executive Session to discuss commercial and financial information relating to loan and other assistance to applicants.

A motion was made by Tony Klein and seconded by Mike Luken approve the chairman's report from executive session.  
Motion prevailed by roll call vote.

#### Old Business

##### Geofurnace Manufacturing, Inc.

A motion was made by Greg Heineman and seconded by Tim Kessler to approve charging-of the loan from the balance sheet to pursue aggressive collections action.  
Motion prevailed by roll call vote with Don Kettering abstaining

##### Metalworks, LLC

A motion was made by Sharon Casey and seconded by Tom Burchill to approve extending the commitment letter to January 2014.  
Motion prevailed by roll call vote

##### Ag Services, Inc.

A motion was made by Ted Hustead and seconded by Pat Prostrollo to approve a moratorium on payments until July 1, 2013 retroactive to February 2012.  
Motion prevailed by roll call vote

##### Purity Seeds, LLC

A motion was made by Ted Hustead and seconded by Pat Prostrollo to approve a moratorium on payments until July 1, 2013.  
Motion prevailed by roll call vote

##### Pulse Processors, LLC

A motion was made by Sharon Casey and seconded by Pat Prostrollo to approve returning \$3,999.36 to the VASF. Loan repayment will begin once business is operational.  
Motion prevailed by roll call vote

##### Schlitz Foods, Inc.

Tabled to June meeting

##### Manitex Load King

A motion was made by Pat Prostrollo and seconded by Tony Klein to approve releasing one parcel from the mortgage on the properties in exchange for \$165,000.  
Motion prevailed by roll call vote

#### New Business

##### Clausen & Rice, LLP

A motion was made by Tony Klein and seconded by Pat Prostrollo to approve the Clausen & Rice contract as presented.  
Motion prevailed by roll call vote

##### Marmen Energy Company

A motion was made by Dale Clement and seconded by Tim Kessler to approve the waiver for a loan for over \$1,000,000.  
Motion prevailed by roll call vote.

A motion was made by Pat Prostrullo and seconded by Tim Kessler to approve the loan request from Marmen Energy Company in the amount of \$5,000,000. Secured by a 2<sup>nd</sup> position on real estate and 50% letter of credit.

Motion prevailed by roll call vote

The loan is approved according to the terms and conditions of the commitment letter and that all documents may be executed on behalf of the Board by the Commissioner of the Governor's Office of Economic Development or the Commissioner's designee.

#### Bills


A motion was made by Sharon Casey and seconded by Pat Prostrullo to approve the bills payable to BankWest, Inc. in the amount of \$10,978.51 for the April Servicing and Moody's Analytics in the amount of \$3,093 for the Annual Fee for Moody's Risk Analytics Software.

Motion prevailed by roll call vote.

#### Adjourn

A motion was made by Tony Klein and seconded by Sharon Casey to adjourn the meeting at 11:02 a.m.

Motion prevailed by unanimous roll call vote.

  
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Dale Clement, Secretary or  
Tony Klein, Treasurer